17 FEB 1971

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Honorable John V. Tunney United States Senate Washington, D.C. 20510

Dear Senator Tunney:

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Thank you for your recent letter on behalf of
concerning unfairness in Federal Government retirement
regulations and enclosing her letter of 23 January 1971.
A limited number of our employees are covered by the Central
Intelligence Agency Retirement Act of 1964 for Certain Employees
(50 U.S.C. 403 Note). The remainder are under the Civil Service
retirement system. nusband was retired under the
CIA Retirement Act.
The survivor annuity provisions in the CIA Act to which refers were modeled after the Civil Service law. They provide a retiring employee with an option to elect a reduced annuity for himself in order to provide an annuity for his spouse if he should predecease her.
is correct in that divorce terminates her potential entitlement and that her husband's annuity will continue at the reduced rate and that if he should remarry, his new spouse would not be eligible for a survivor annuity. On January 8, 1971, an amendment to the Civil Service law makes provision for subsequent spouses
under certain conditions. We are hopeful that an amendment embody-
ing this new concept for the CIA Retirement Act will also be approved.
Even so, such an amendment only partially overcomes what Mrs.
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describes as inequities and then, only for her husband.

Approved For Release 2005/05/20 : CIA-RDP74B00415R000200010114-9

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STAT	We appreciate feelings about her personal situation and recognize the important role which a wife may play in her husband's contribution to Federal service. However, current law does not require a retiree to leave a survivor annuity for his wife. It also does not set a minimum level for such an annuity. These decisions are left to the retiree, with full knowledge that the survivor annuity he elects may never be payable for a variety of reasons including termination of the marriage through divorce.
	Dependent children are treated differently. Following the death of the retiree they are entitled to a survivor annuity during their dependency.
	It is hoped that this letter is responsive to your interests and we do appreciate your writing to us on behalf of
	Sincerely,
-	Legislative Counsel
	Distribution: Orig & 1 - Adse 1 - OLC Chrono 1 - Subject File
	OLC:LLM:rcr (10 February 1971)
STAT	(Coordinated in draft with and John Warner)

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